

Two-Year Projection of Cash Need

Colorado Mesa University

Wednesday, October 21, 2020

SUGGESTED MOTION:

Approve the new project listed on the Colorado Mesa University two-year projection of cash need.

New Project List, Requires Approval

Project Name	LEED Certification	Amount	Fund Source
<i>Health Sciences, PA/PT/OT Center</i>	Gold	\$14,194,726	CF

2019-001

The project constructs a 24,000-GSF building to house three new Health Sciences programs: the recently created Physician Assistant (PA) program, and the forthcoming Physical Therapy (PT) and Occupational Therapy (OT) programs. The building will feature classrooms, student breakout rooms, clinical exam rooms and lab space, and student-faculty interactive space. The PA program's first class enrolled in January, 2019, and the OT and PT programs are expected to be operational in January 2022 and Fall 2023, respectively. These programs are expected to enroll a three-year cohort of over 250 students. The university says the building is necessary to help meet the growing health care needs of the Western Slope and Colorado. The university requested a combination of state funds and cash funds spending authority for the project for FY 2018-19 through FY 2020-21, but did not receive funding. Attached is additional information from the university, along with letters of support for the project (Attachment A).

The source of cash funds for the project is unrestricted cash reserves and fundraising.

Date Authorized Until: ***TBD***

Subtotal: New Project List, Requires Approval

\$14,194,726

Grand Total, All Projects:

\$14,194,726



Connecting Dots: Colorado Mesa PA/OT/PA Center

The ARC-PA has granted Accreditation-Provisional status to the CMU Physician Assistant Program and CMU admitted its first PA class of 16 students in January of 2019. CMU received over 1500 applications and the inaugural class was chosen from over 600 completed

applications. The second cohort of 22 PA students started in January of 2020 and were chosen from over 1,000 applications. The provisional accreditation status is limited to no more than five years from matriculation of the first class. Additional classrooms, labs, faculty, and support staff are important infrastructure that must be in place to continue to receive accreditation and then grow enrollment.

CMU will be adding the third cohort of PA students in January '21; the first cohort of Occupational Therapy students in January '22; followed by the first cohort of Physical Therapy students planned for January '23. The current temporary space cannot support this growth as these programs are expected to enroll a three-year cohort of over 250 students. In order to have adequate space available by January '22 for growing enrollments, CMU must start construction on a new facility at the end of CY2020 as it will take about 12 months to complete the project. CMU must also continue to demonstrate progress towards permanent accreditation requirements.

CMU has repeatedly requested state capital funds (CCF) and cash spending authority in order to fund the approximately 24,000 square foot PA/PT/OT Center. In fact, it has been “above” the state’s capital priority funding line twice—suggesting the state’s support of the project—but, regrettably did not get funded. Given the urgency of starting construction now, over the past few months CMU has solicited private funds in support of the project and continues to work toward finalizing those agreements. Given the fluidity of fundraising in this COVID environment, CMU would request the General Assembly continue to strongly consider a \$5M contingent state appropriation for this project, which is over a 50% reduction from previous state funding requests. This contingent appropriation will help leverage private fundraising efforts and minimize the impact on CMU’s other prioritized programs.

Given the imperative to bend the healthcare cost curve and enhance access to qualified practitioners in rural and urban settings alike, a coalition of hospitals, providers, business groups and local governments has formed to support this project. Many of these same organizations have committed funding to assist with the cost of this project. A selection of support letters is attached to this summary.

The pending request for capital construction funds is summarized as follows:

Funding Source	Previous Request	Current Request w/o contingent state approp	Current Request with contingent state approp
Capital Construction Request (CCF)	\$ 11,266,687		
Cash Funds	\$ 1,114,289	\$ 14,194,726	\$ 14,194,726
Less requested contingent state appropriation			\$ (5,000,000)
CMU Commitment	\$ 1,114,289	\$ 14,194,726	\$ 9,194,726
State Commitment	\$ 11,266,687	0	\$ 5,000,000

Long-term employment projections in Colorado

Occupation	2016 Estimated Employment	2026 projected employment	Total 2016-2026 Employment Change	Annual Average Percent Change	Avg. Annual Openings
Physician Assistant	2,950	4,080	1,130	38.4%	280
Physical Therapist	5,030	7,260	2,230	44.4%	490
Occupational Therapist	2,780	3,790	1,010	36.5%	260

To better capture local data on the need for program expansion, a workforce needs assessment was conducted in collaboration with staff from CMU's Office of Institutional Research. An electronic survey was sent in November of 2016 to 206 medical clinics, hospital systems, and therapists in Western Colorado. The response rate was 26.2% (n=54).

Western Colorado data on program need

Occupation	% of respondents indicating a moderate to high need for new graduates	% of respondents indicating that it is difficult to very difficult to recruit or retain professionals	% of respondents that indicated a high likelihood to hire a professionals in these fields in the next 5 years	Indicated number of Professionals needed in Western Colorado in the next 5 years
Physician Assistant	60.8%	47.1%	58.1%	32
Physical Therapist	70.7%	46.8%	76.5%	85
Occupational Therapist	61.9%	50.8%	59.1%	29



February 8th, 2018

RE: Colorado Mesa University (CMU) Allied Health Capital Project Funding

Dear Colorado Legislator:

Earlier today I was informed that capital funding for a critical and strategic initiative in Western Colorado was moved off the capital budget for 2018. The project involves funding for a building on the CMU campus to house programs for physician assistant, physician therapy, and occupational therapy.

Western Colorado is in need of healthcare providers with the skill sets and education that could be provided through the CMU programs. Citizens in Western Colorado notoriously pay higher costs for healthcare, partially due to a supply shortage of providers and the downstream effect of exponential costs related to recruitment and retention. While the issue of few health care providers is true across our nation, it is even worse in Western Colorado. The ratio of population to primary care physician is twice the national average in Grand County, three times the national average in Eagle and Ouray Counties and almost six times as bad in Montrose County (see attached table for specific numbers).

I, along with our board of directors, local medical staff and other healthcare professionals, fully support the accreditation process, planning, and execution of allied health program development by CMU as we believe it is one of many solutions to curtailing rising healthcare costs in rural Colorado.

Prior to moving to Western Colorado in a physician executive leadership position, I spent nearly 15 years as a student, resident physician, and eventual faculty physician on the CU Anschutz Medical Campus. The Front Range, on a relative basis, has been provided with much greater support for healthcare programs. Rural Colorado, and particularly Western Colorado, continue to be in need of local education programs and opportunity for excellent people to enter the health profession and subsequently serve the communities of Western Colorado. In light of the above reality, it was heartening to hear that the legislature and the governor were focused on rural Colorado this session. For us in health care this issue is a critical problem for rural and Western Colorado.

I urge you to reconsider funding of the CMU Allied Health Capital project for the strategic benefit of our Western Slope community.

Please feel free to contact me with any questions or for further information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian M. Davidson".

Brian M. Davidson, M.D
President



February 13, 2018

(delivered electronically)

Dear Members of the Capital Development Committee;

The Grand Junction Area Chamber of Commerce on behalf of its 950 small businesses and the 37,000 hardworking Colorado citizens that they employ, is writing to ask that you prioritize the CMU Health Sciences, Phase II, PA/PT/OT Center for certain funding this year.

The Chamber has been a champion of this project to provide graduate programs in the health care field on the Western Slope for a number of reasons, chief among them the critical shortage of health care providers throughout the Western Slope. It goes without saying that in order to provide these specialties there needs to be facilities to house the programs. Our medical community supports the programs and will be providing real work experience for students in these disciplines. The University has pursued the steps necessary to have these programs accredited. The Governor's office listed this as the fourth highest priority for funding on their list, recognizing its importance to rural Colorado. Now it is up to you to take the next step in providing the needed funding to move this project forward.

Our small businesses are asking that you make this a priority, realizing its importance to our communities on the Western Slope and our ability to attract companies and retain our workforce.

Sincerely

A handwritten signature in black ink, appearing to read 'Diane Schwenke'.

Diane Schwenke
President/CEO



February 14, 2018

RE: Colorado Mesa University Allied Health Capital Project

Dear Colorado Legislator:

I am writing to express my support of the capital funding project for Colorado Mesa University (CMU). Delta County Memorial Hospital has a long standing relationship with CMU providing support for various health care related programs including clinical education sites, future job opportunities and more. For many years it has been challenging to recruit health care professionals to rural Colorado. The programs that CMU currently offers and those proposed in the expansion have been and will be extremely beneficial to health care on the Western Slope and beneficial for economic development in our rural communities.

Delta County Memorial Hospital urges you to strongly reconsider the priority level of the CMU Allied Health Capital Project Funding so it is included in the 2018 budget. The funding of the new building will allow expansion of health care education to include physician assistant, physical therapy and occupational therapy programs. The investment of these capital funds will pay great dividends for our rural communities in serious need of highly trained health care professionals and will improve access to quality care and the overall health of the communities we serve.

Sincerely,

Jason Cleckler CEO, RN, BSN
Delta County Memorial Hospital
Delta, CO



HOSPITAL SERVICES | FAMILY MEDICINE | WOMEN'S HEALTH | INTERNAL MEDICINE | SPECIALTY SERVICES
MENTAL HEALTH SERVICES | LONG TERM CARE | OCCUPATIONAL HEALTH SERVICES | SCHOOL BASED HEALTH

February 13, 2018

Re: Colorado Mesa University (CMU) Allied Health Capital Project Funding

Dear Colorado Legislator,

On behalf of the Board of Directors of Grand River Hospital District in Rifle, Colorado, we are urging you to reconsider your decision on funding the CMU Allied Health Project in Grand Junction, CO. We believe this facility would immensely benefit the region by providing both a career pathway for our youth, as well as more accessibility for the critical care needs in our underserved communities.

One of the most challenging aspects of operating a healthcare facility in rural Colorado is hiring for sought after positions such as physical and occupational therapists and Physician Assistants. We are consistently searching to fill these positions as the need for care grows. These positions are very challenging and costly to fill, as it is difficult to recruit to a rural area. Having a state of the art training facility in Western Colorado for these types of professionals gives us and other rural hospitals a potential pipeline of applicants to help us meet the future healthcare needs of our growing and aging populations.

Access to and affordability of health care in rural Western Colorado continues to be a great concern for our communities and our healthcare facility. It is important to be able to continue provide affordable care locally, now and in the future. It is for these reasons we respectfully request you to reconsider your decision to fund CMU's Allied Health Capital Project.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "James Coombs", written in a cursive style.

James C. Coombs
CEO
Grand River Hospital District

ADMINISTRATION



February 9, 2018

RE: Colorado Mesa University (CMU) Allied Health Capital Project Funding

Dear Colorado Legislator:

The capital funding request for funding the CMU Allied Health building was recently removed from the capital budget for 2018. Montrose Memorial Hospital supports that the building remaining on the State budget for this year. This building would be the location for training programs for physician assistant, physical therapy, and occupational therapy. These are all highly-sought-after specialties, and having them trained locally would help us fill gaps in our system.

The classes to be taught in this state-of-the-art facility would greatly help our Hospital and associated providers care for patients. The hope is that these students would live and work on the western slope after they graduate with the associated degrees. This would help our situation; more providers to help care for our population, which right now is chronically underserved.

We support the capital funding for a new building on the CMU campus; it is one of a myriad of solutions to help our residents access quality care and educational opportunities. We urge you to reconsider funding of the CMU Allied Health program, as well as support the accreditation and planning of the program.

Sincerely,

Alan Saliman, M.D.
Chief Medical Officer



February 12, 2018

RE: Colorado Mesa University (CMU) Allied Health Capital Project Funding

Dear Colorado Legislator:

Montrose Memorial Hospital supports the capital funding priority at Colorado Mesa University. This building would be the location for training programs for physician assistant, physical therapy, and occupational therapy. At least one of these types of therapists is being recruited here at any one time. To have these specialties trained on the western slope of Colorado will help us increase the numbers who provide care. As the area is medically underserved, the Allied Health project will help alleviate the problem. Rural Colorado continues to be in need of local education programs as well as opportunities to enter the healthcare profession. This will fulfill that need, greatly benefiting our patients.

Mountain View Therapy supports the capital funding for a new building on the CMU campus. This project will help our residents access educational opportunities which will eventually benefit our residents. We urge you to reconsider funding of capital costs for the CMU Allied Health program.

Sincerely,

A handwritten signature in black ink, appearing to read 'Martin Lutz'.

Martin Lutz, MPT
Director, Mountain View Therapy
Rehabilitation and Wellness Services, Joint Replacement Center
Montrose Memorial Hospital



September 1, 2019

Honorable Governor Jared Polis
200 East Colfax
Denver, CO 80203

Dear Governor Polis:

With this letter the City of Grand Junction adds its voice to the broad coalition of healthcare providers throughout Western Colorado that support the construction of a new building(s) at Colorado Mesa University for the Physician Assistant, Occupational Therapy and Physical Therapy (PA/OT/PT) programs. Funding for the construction of the project was ranked near the top of the list during the 2019 legislative session but, unfortunately, was not approved.

Given your strong interest in bringing down healthcare costs across Colorado, we hope you will find the PA/OT/PT project as a key to advancing that important policy objective. Given the vital role Physician Assistants play in providing primary care in rural and urban areas alike, we feel strongly that investing in this new facility in Grand Junction is a priority for 2020 funding.

As you may know, the City of Grand Junction has developed an important partnership with Colorado Mesa University; over the past two decades the City has invested general funds each year to support campus expansion and, most recently, in support of scholarships for local students to pursue their higher education. To our knowledge, no other local government in Colorado has developed this type of strategic alliance. We make note of the City's relationship to assure you that we find the University as a great and trusted part of our community and welcome and encourage the expansion of the PA/OT/PT facilities and program and ask that you do so as well. Please assist with securing the necessary funding and support for the project.

Thank you in advance for your consideration. We look forward to working with you and key leaders in your administration to advance the PA/OT/PA project at Colorado Mesa University. We would be happy to visit with you about it.

With thanks,

A handwritten signature in black ink, appearing to read "Rick Taggart".

Rick Taggart, Mayor
City of Grand Junction

cc: Grand Junction City Council
Senator Ray Scott

Representative Janice Rich
Representative Matt Soper